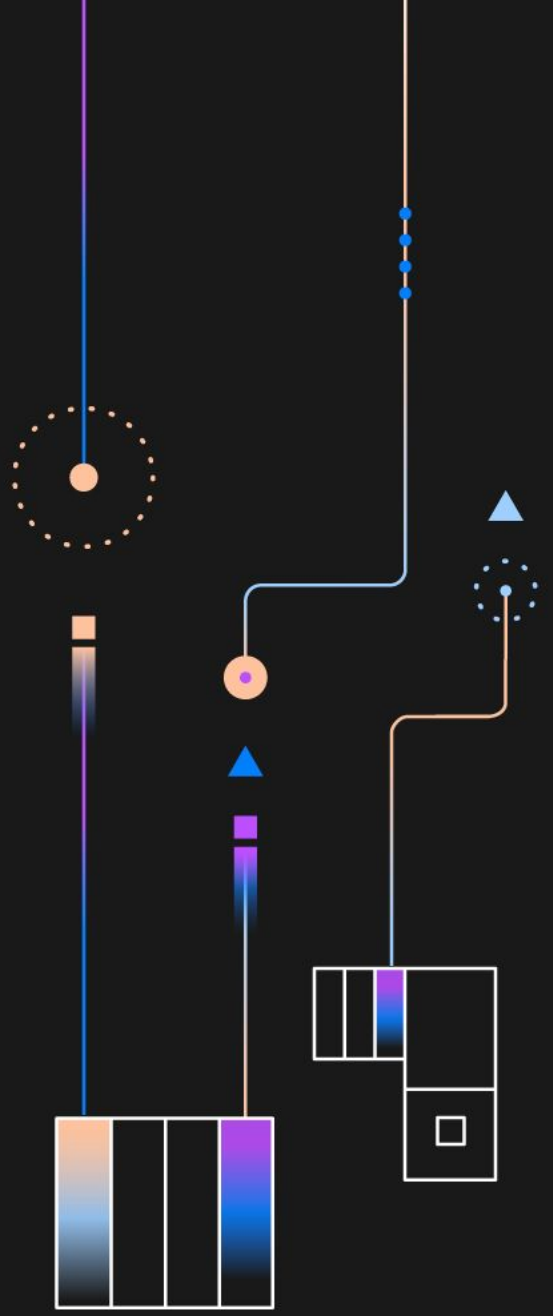
Lack of Real-Time ERP Data Leads to Business Risk, Poor Decisions and Lost Revenue

A Global Survey of ERP Data Professionals and Executives

May 2022



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Executive summary

Lack of real-time ERP data leads to business risk, poor decisions and lost revenue

Enterprise resource planning (ERP) systems generate data that is critical to primary business processes — data that is often needed to improve efficiencies and optimize operations. Given the essential nature of ERP data, it's striking that nearly all survey participants (99 percent) indicated they face numerous challenges in keeping ERP information flowing.

Those surveyed said the interruption of ERP data directly impacts the business with slowed operations, impaired decision-making and lost revenue. ERP-related obstacles such as system complexity, integration challenges, incompatibles and lack of expertise topped the list. These challenges led to 65 percent of respondents claiming access to ERP data is difficult, likely as a direct result of 78 percent indicating software vendors intentionally make access to their solutions' data onerous.

Eighty-two percent of companies work with old and stale data, likely due to the challenges in accessing ERP data. Given the critical nature of ERP information for operations and decision-making, it was not surprising that 85 percent confirmed that stale data leads to incorrect decisions and poor business outcomes. Data and business professionals indicated that access to real-time ERP data provides significant advantages with faster decision-making, improved accuracy, increased efficiency, early problem detection and smoother operations — among a long list of benefits. However, only 23 percent of companies have access to real-time data today, relegating the other 77 percent of companies to deal with the risks and disadvantages of stale data.

When asked how cloud-based solutions could address current ERP data issues, more than 9 out of 10 ERP professionals indicated substantial benefits to cloud-based ERP solutions, such as timeliness with real-time data flow, improved decision-making based on the increased agility, and fewer data flow issues.

Those benefits resulted in 98 percent believing the future of ERP solutions is cloud-based. Over the next five years, 96 percent expect most of their ERP data to be housed in the cloud. If ERP professionals move from firefighting to proactive tasks, enterprises can support more data sources and higher quality data to drive AI/ML for better business outcomes.

Key findings

ERP Data Critical for Business Operations and Optimization but Access Remains Challenging

- Companies want to utilize ERP data to optimize business operations and prevent interruptions
- Business slows and revenue is lost without ERP data
- 99% of companies face numerous data-related challenges led by complexity and integration
- 65% state access to ERP data is difficult
- 78% indicate software vendors intentionally make data access difficult

Companies Often Work with Old and Stale Data Leading to Poor Business Decisions

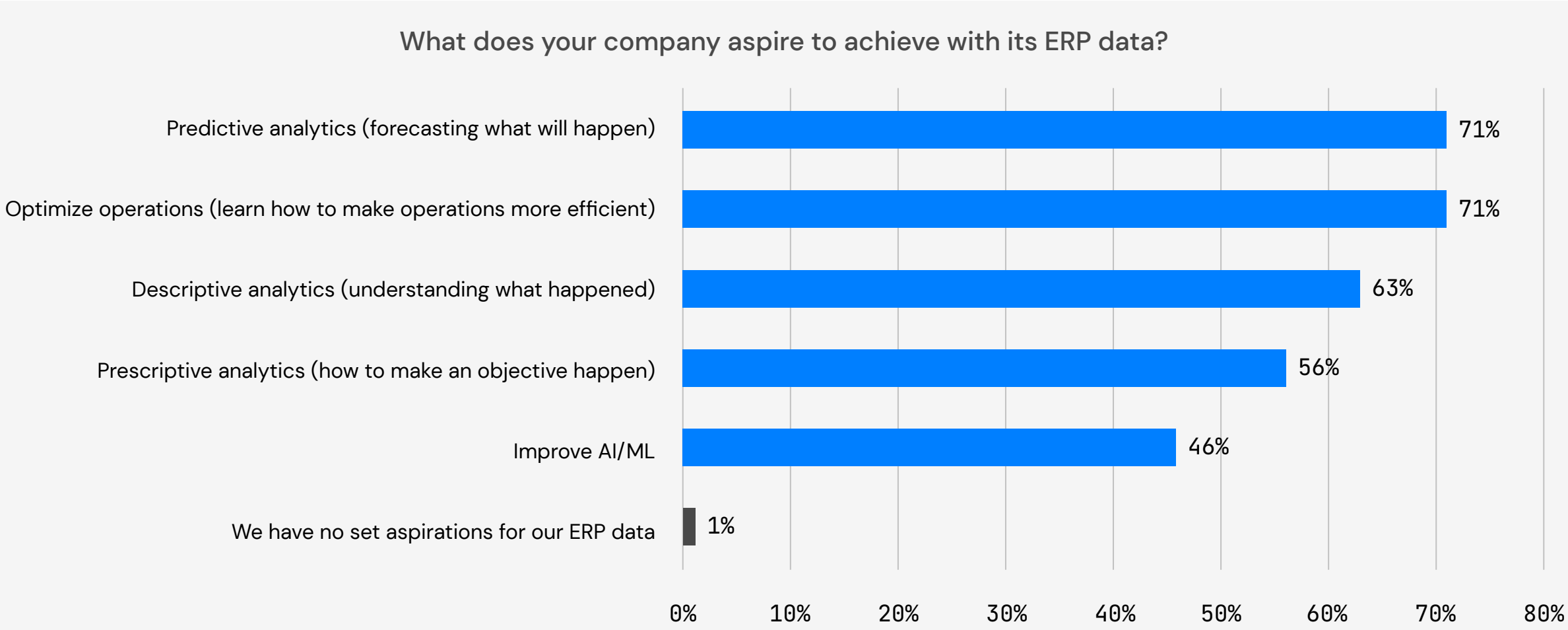
- 82% of companies work with stale data
- 85% confirm stale data leads to incorrect decisions
- Real-time data is a catalyst for business optimization
- Only 23% have real-time access to ERP data today

Cloud-Based ERP Systems and Real-Time Data Expected to Deliver Numerous Business Benefits

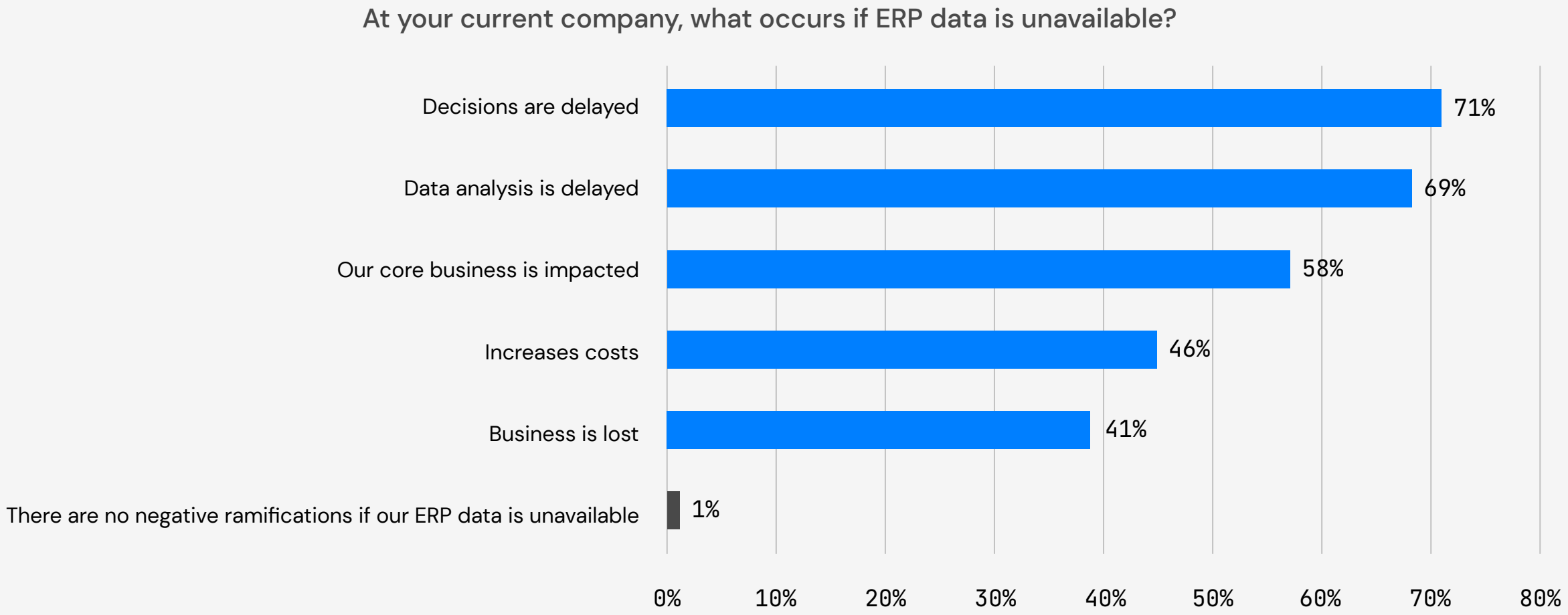
- Timeliness and solving new business problems top the list of expected benefits from cloud-based ERP data
- 98% stated ERP will become cloud-based
- 96% believe most of their ERP data will be cloud-based in 5 years

Detailed findings

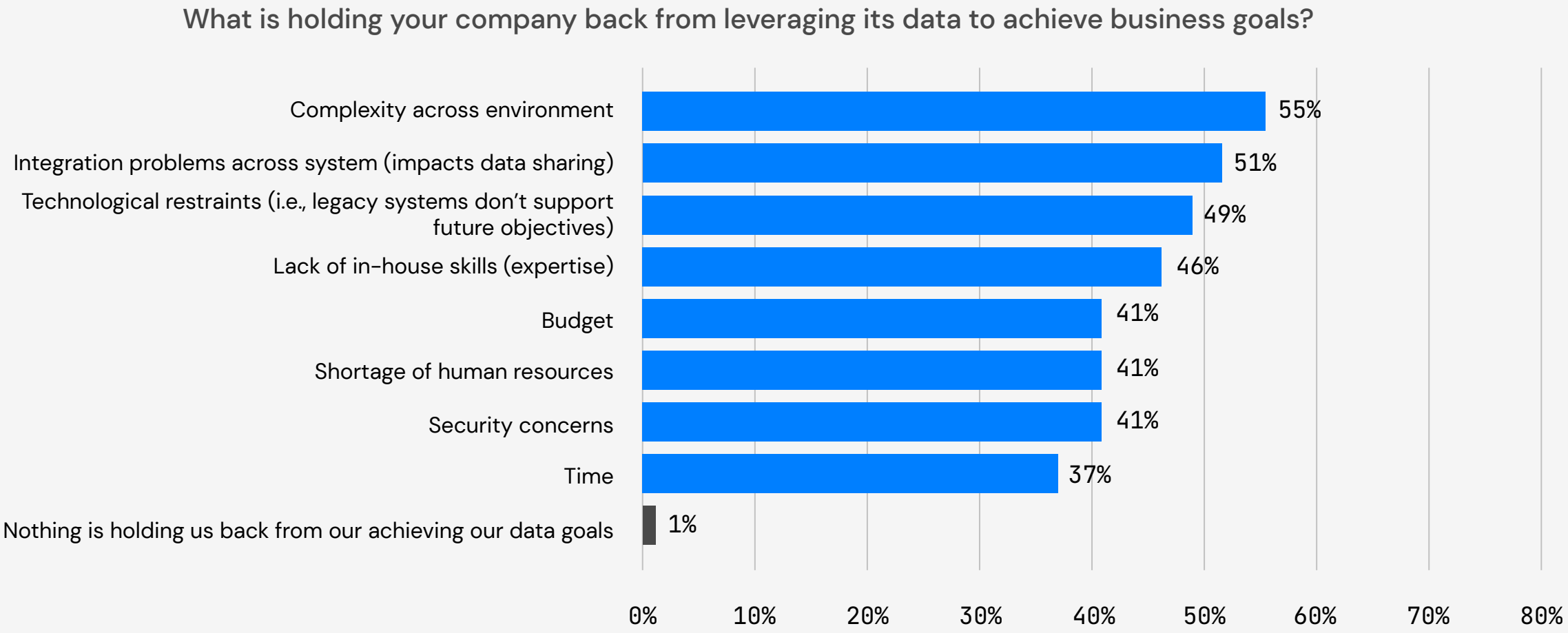
Companies want to utilize ERP data to optimize business operations and prevent interruptions



Business slows and revenue is lost without ERP data

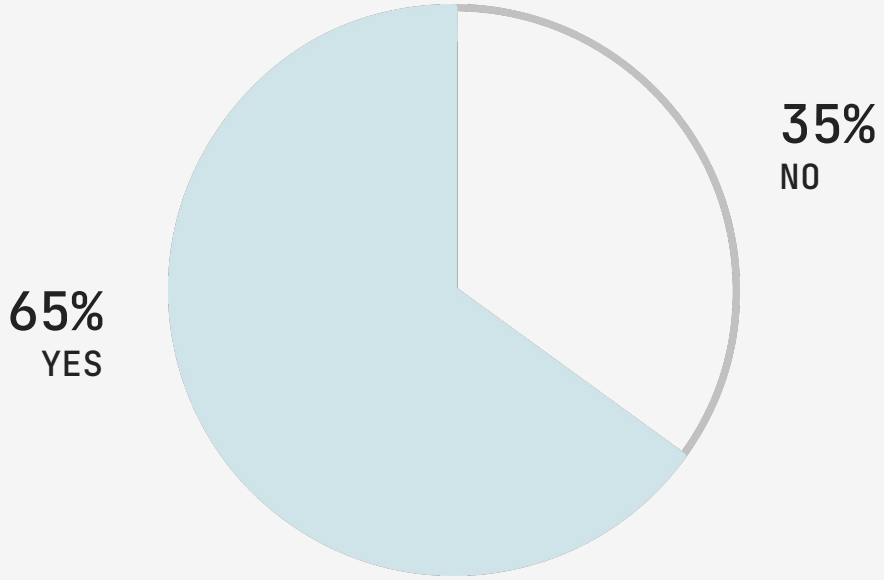


99% of companies face numerous data-related challenges led by complexity and integration



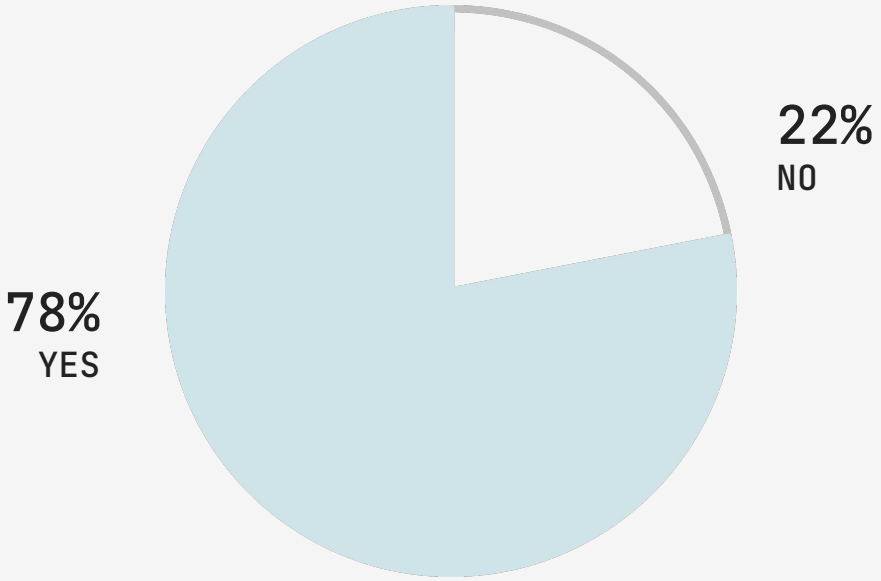
65% report access to ERP data is difficult

In your experience, is it difficult to directly access data embedded in your ERP systems?

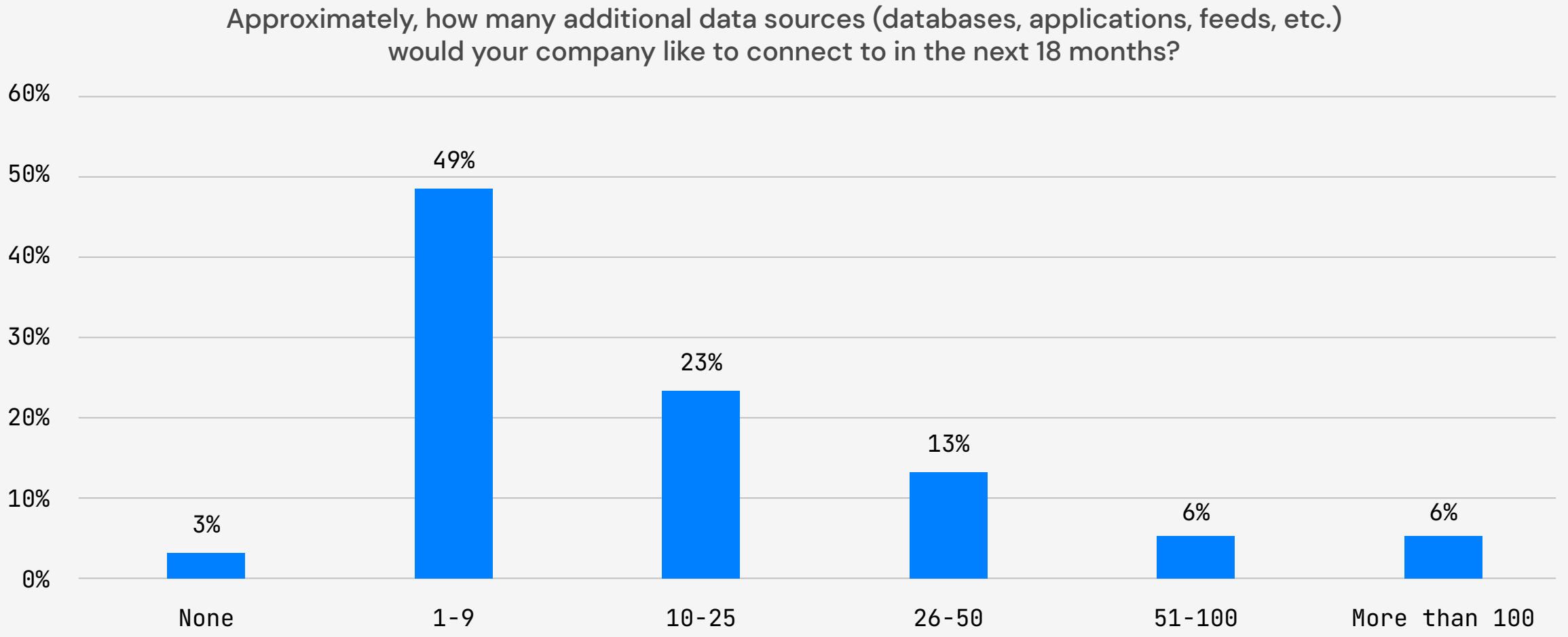


78% indicate software vendors intentionally make data access difficult

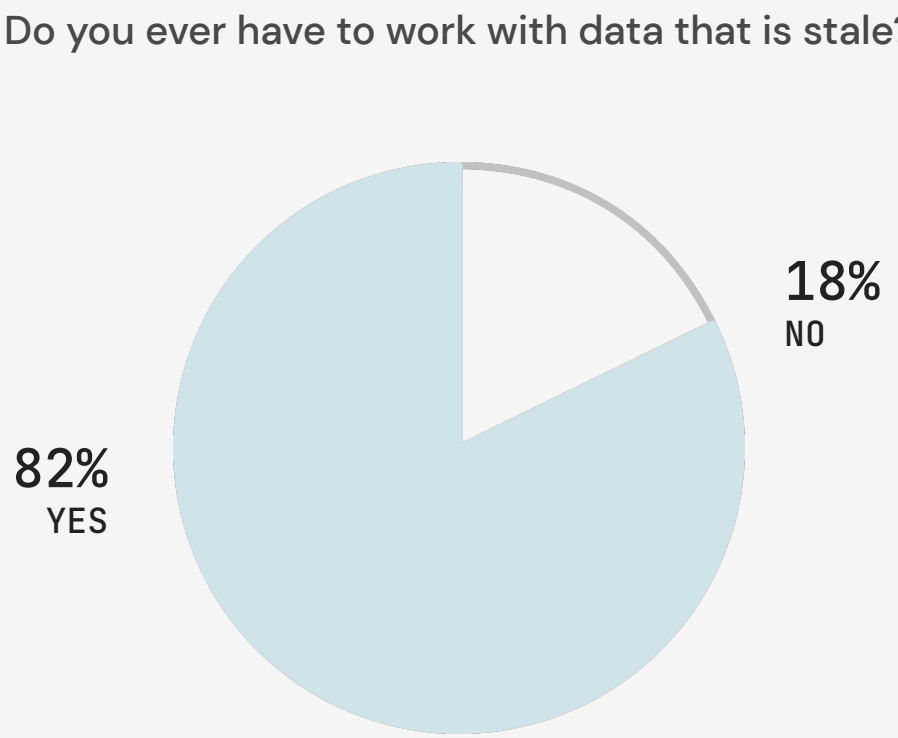
In your opinion, do software vendors make it difficult to access some of their applications' data?



48% plan on adding 10 or more data sources over the next 18 months

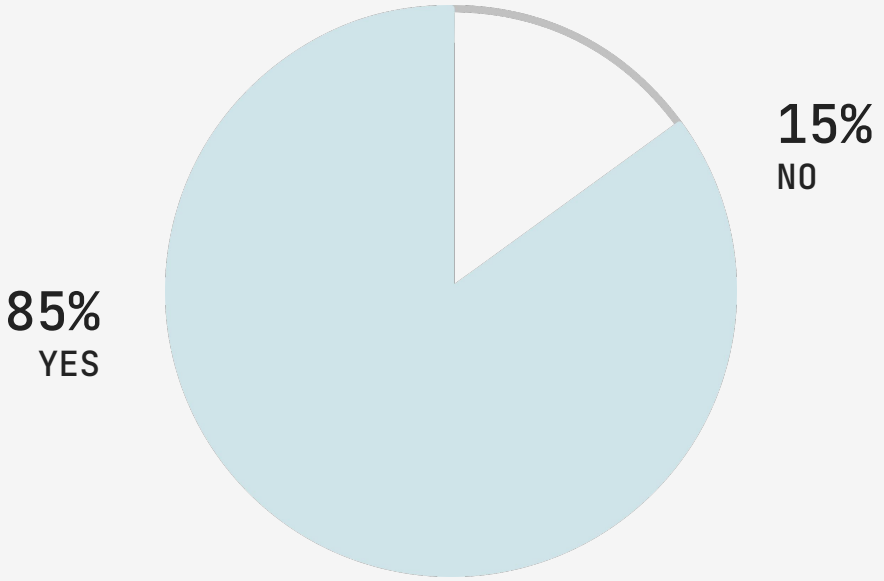


82% of companies work with stale data

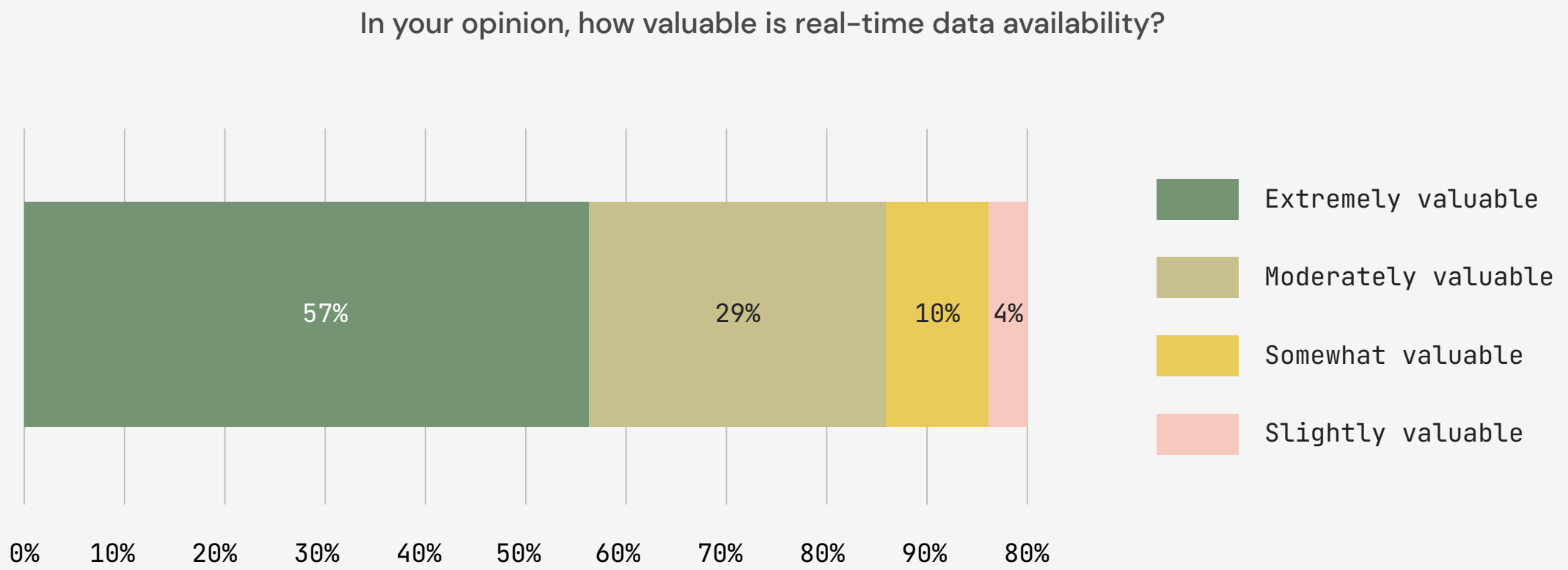


85% confirm stale data leads to incorrect decisions

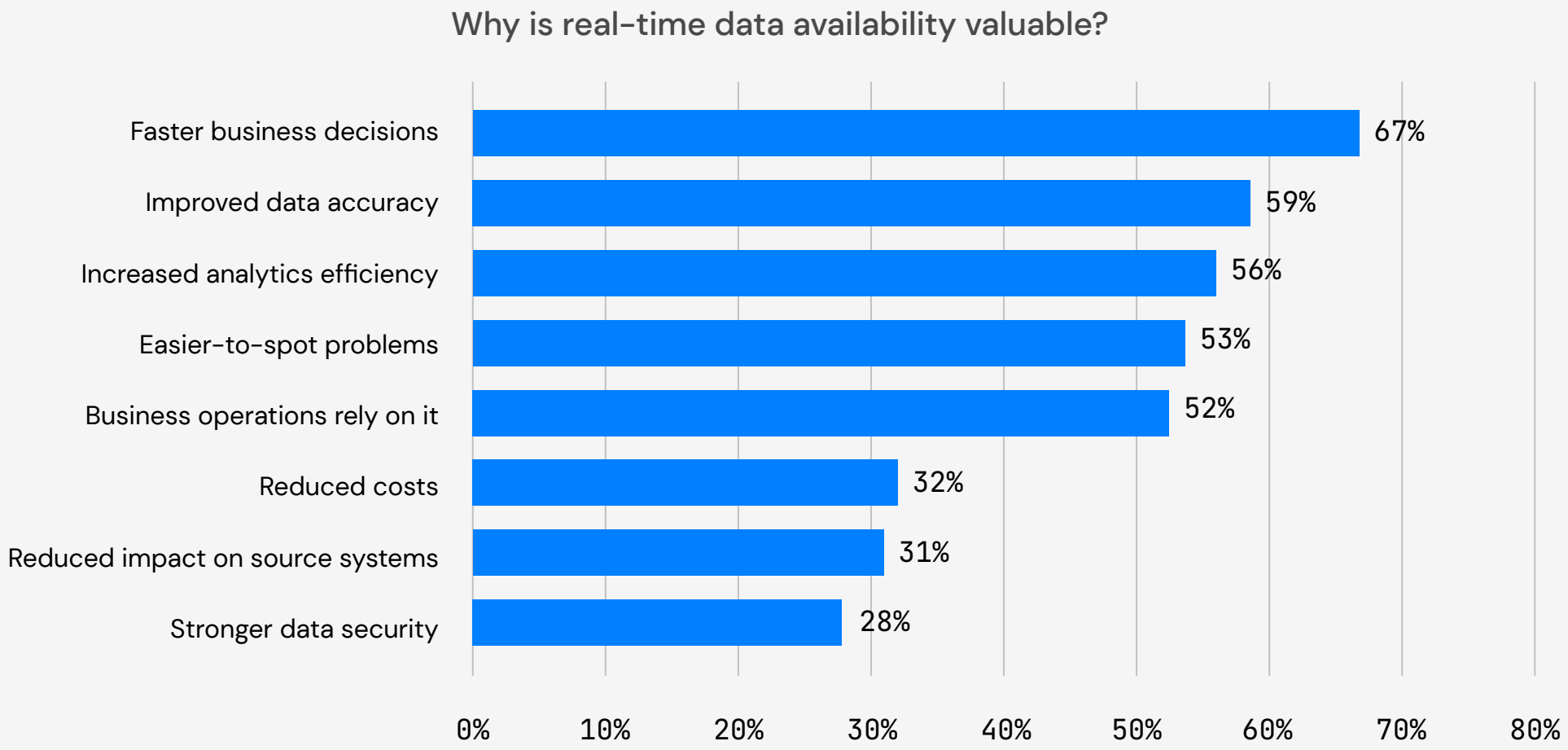
Does working with stale data create concerns that key information is too old and leads to incorrect decisions?



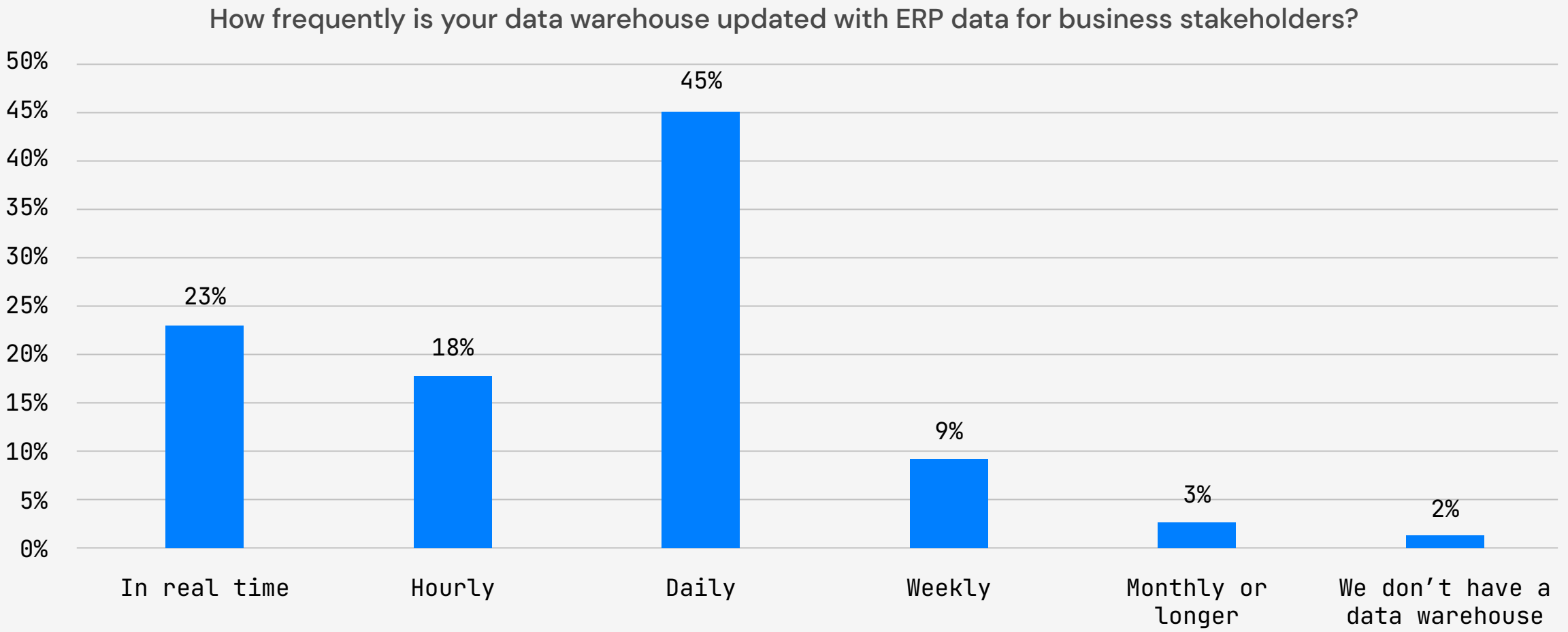
86% state real-time data is very valuable



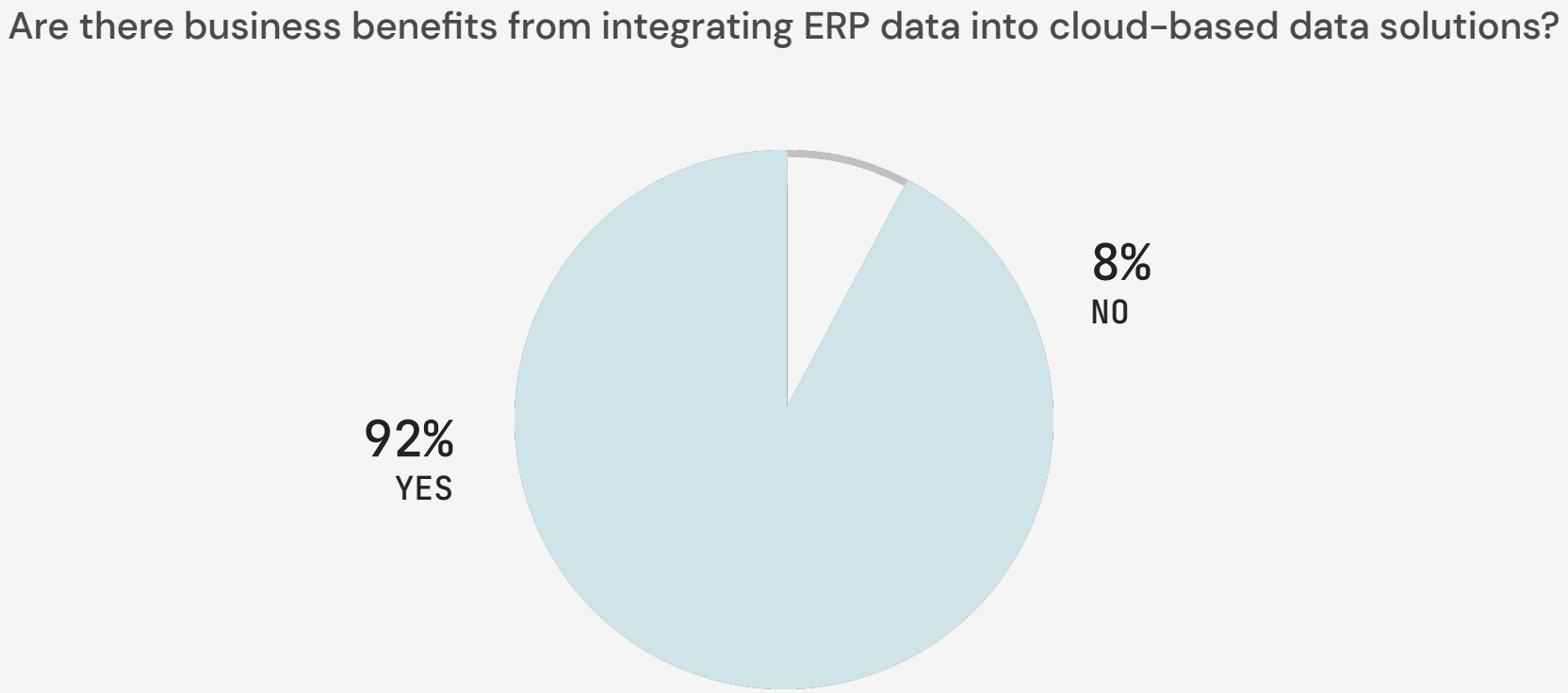
Real-time data is a catalyst for business optimization



Only 23% have real-time access to ERP data today

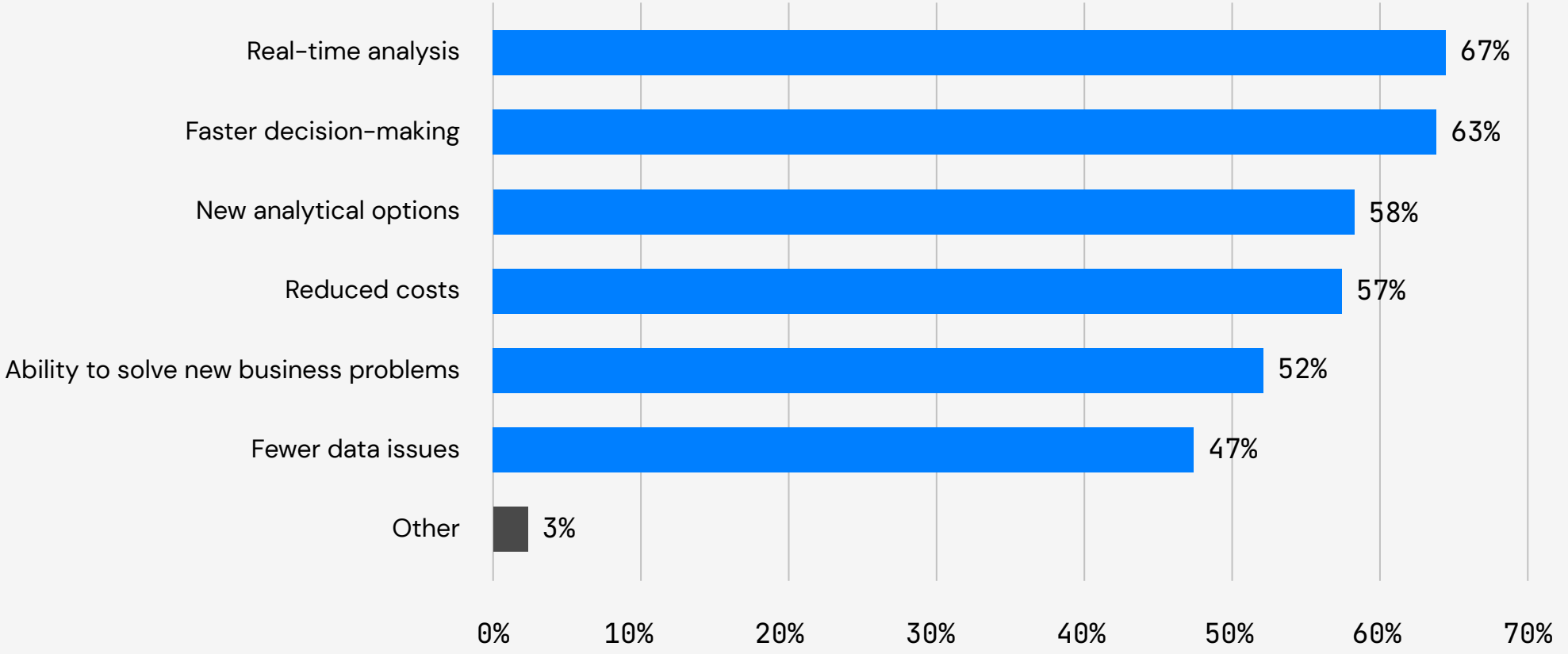


92% indicate business benefits from cloud-based ERP data solutions



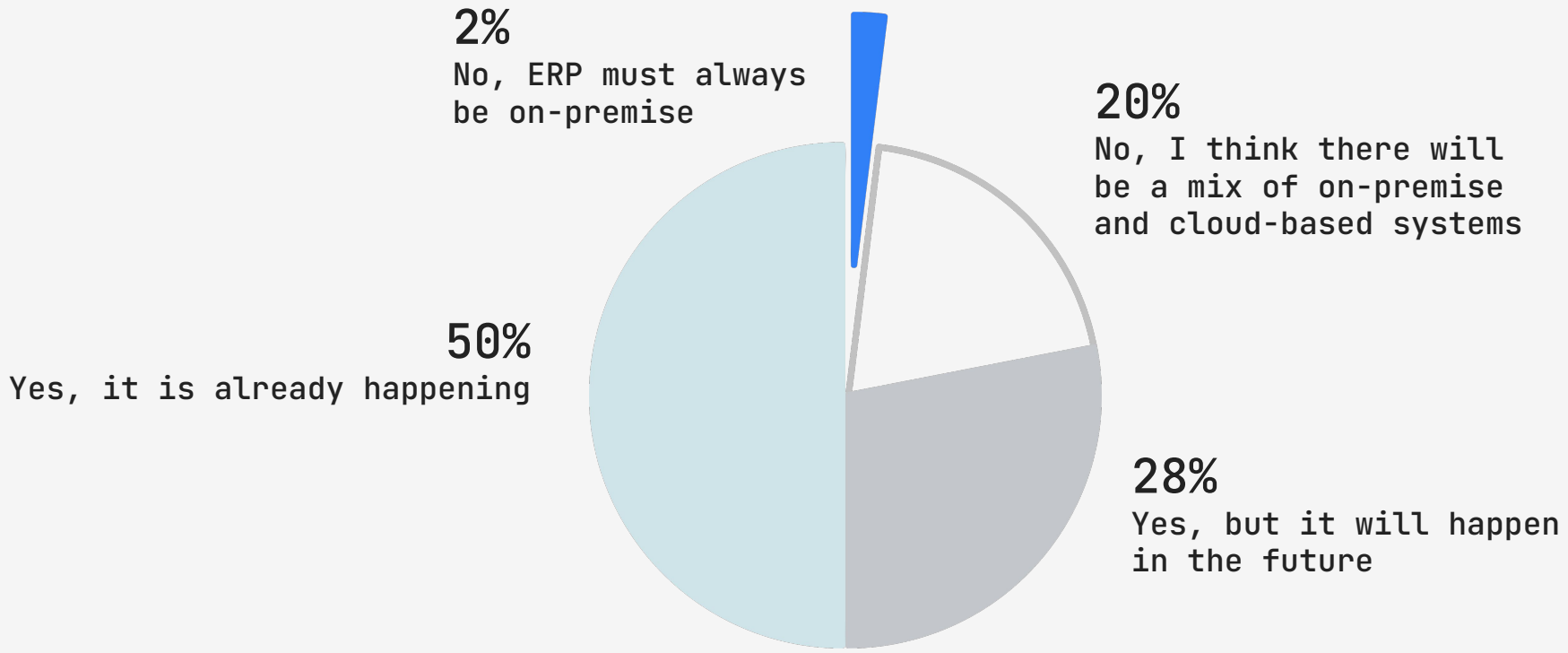
Timeliness and solving new business problems top the list of expected benefits from cloud-based ERP data

What business benefits would your company expect from integrating ERP data into a cloud-based data solution?



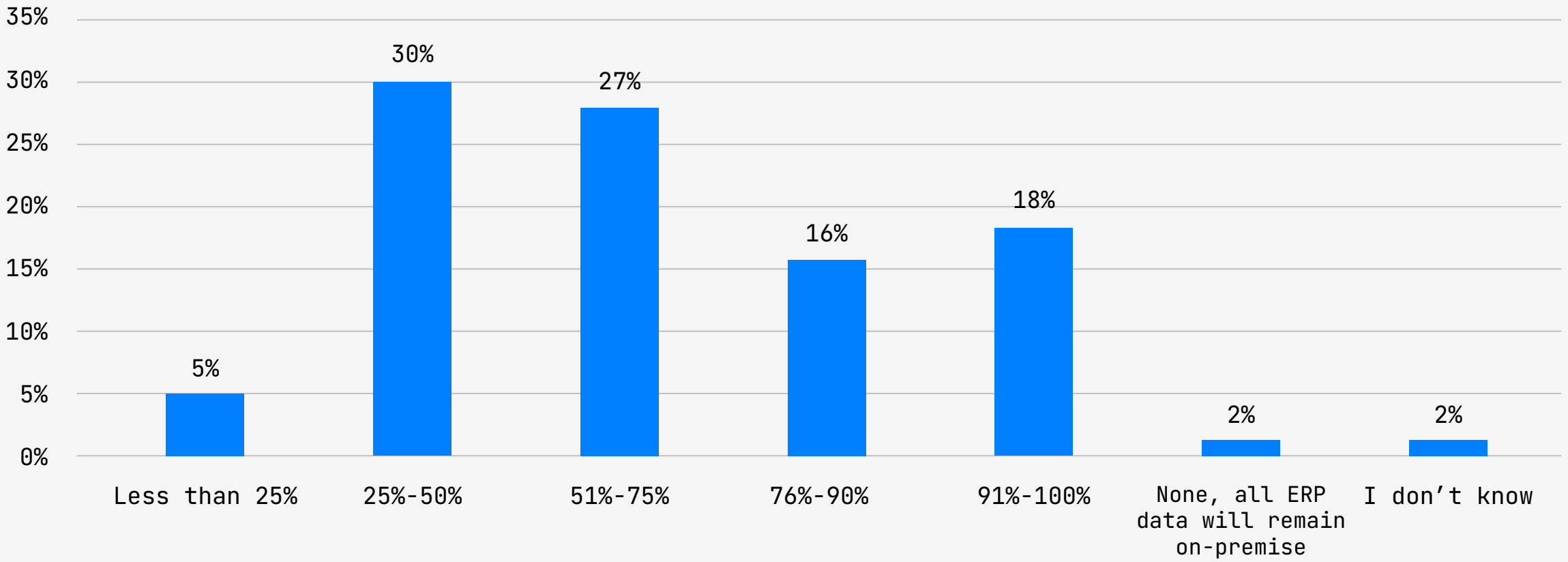
98% report ERP will become cloud-based

In your opinion, will cloud-based ERP systems replace traditional on-premise ERP systems?



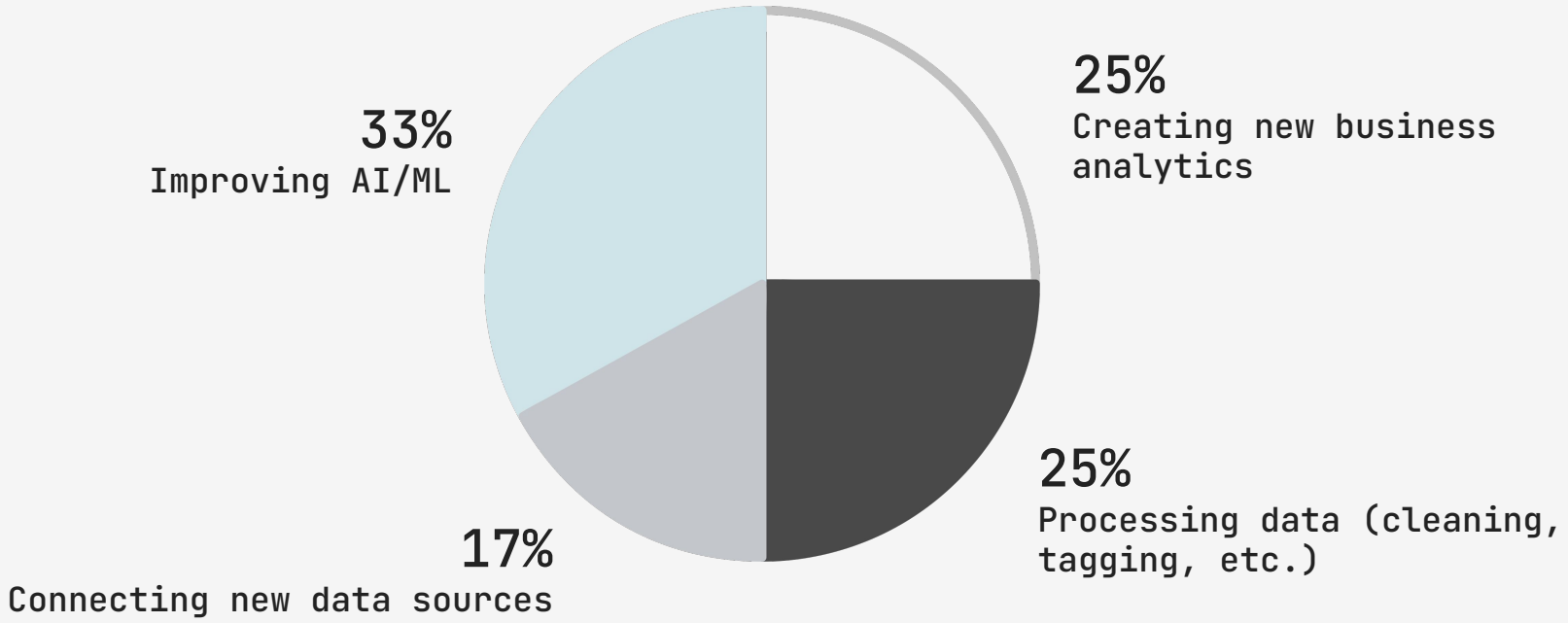
96% believe most of their ERP data will be cloud-based in 5 years

Approximately what percentage of your company's ERP data do you expect to be in the cloud in 5 years?



Professionals could deliver far more business value if they had extra time

If you had extra time, what new data project would you like to get started on?



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About Fivetran
Fivetran is the global leader in modern data integration. Our mission is to make access to data as simple and reliable as electricity. Built for the cloud, Fivetran enables data teams to effortlessly centralize and transform data from hundreds of SaaS and on-prem data sources into high-performance cloud destinations. Fast-moving startups to the world's largest companies use Fivetran to accelerate modern analytics and operational efficiency, fueling data-driven business growth. Fivetran is headquartered in Oakland, California, with offices around the world.

For more information, visit fivetran.com.

Methodology and participants

Goals and methodology

Research Goal

The primary research goal was to understand the direct impact of ERP data on the operation of the business, as well as its role in decision-making. The research also investigated the challenges of maintaining ERP data flow, reliability, and the impact of 'stale' data on the business. ERP data experts were asked for an experienced perspective on the value of real-time data and whether cloud-based ERP solutions held realizable promise for remediating existing challenges.

Methodology

Individuals representing all seniority levels that had direct responsibilities for ERP systems and data at companies of all sizes and industries were invited to participate in a survey on their company use of ERP data.

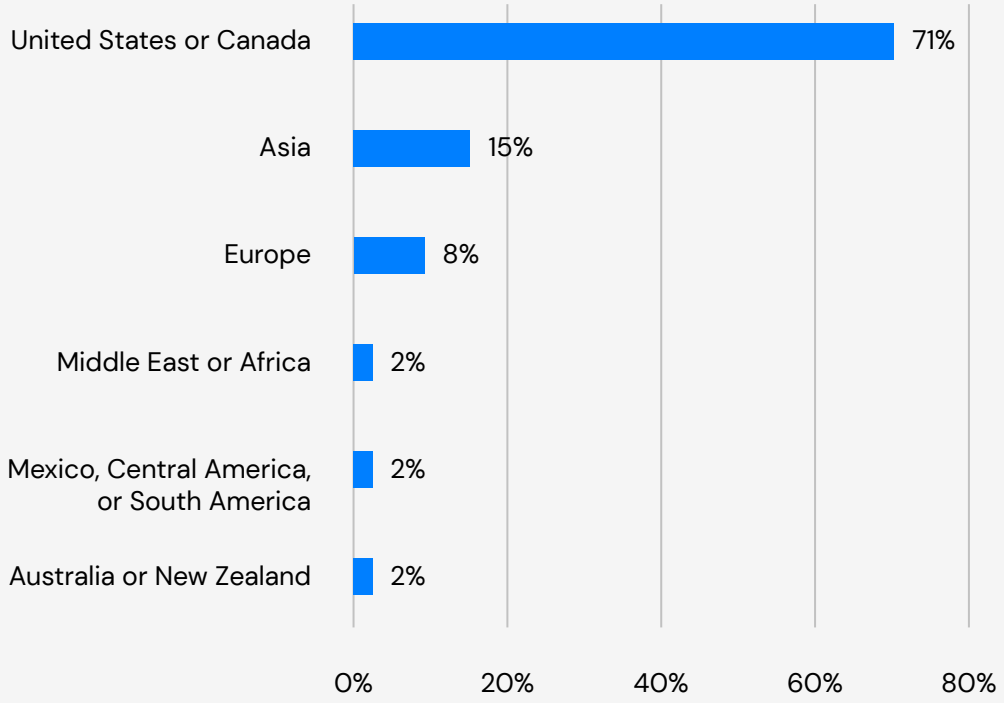
The survey was administered electronically, and participants were offered a token compensation for their participation.

Participants

A total of **438 qualified participants** completed the global survey. All participants had direct ERP responsibilities. Participants represented numerous countries from 5 continents for a global perspective.

Individuals represented

Location



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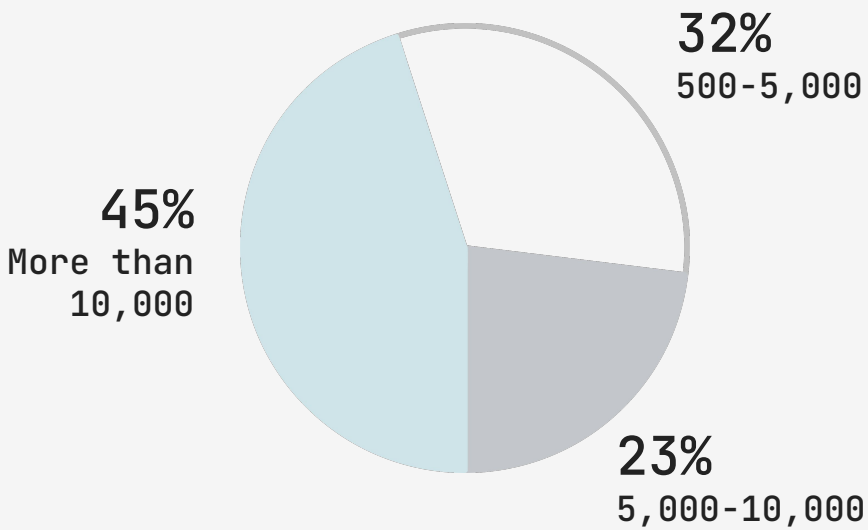

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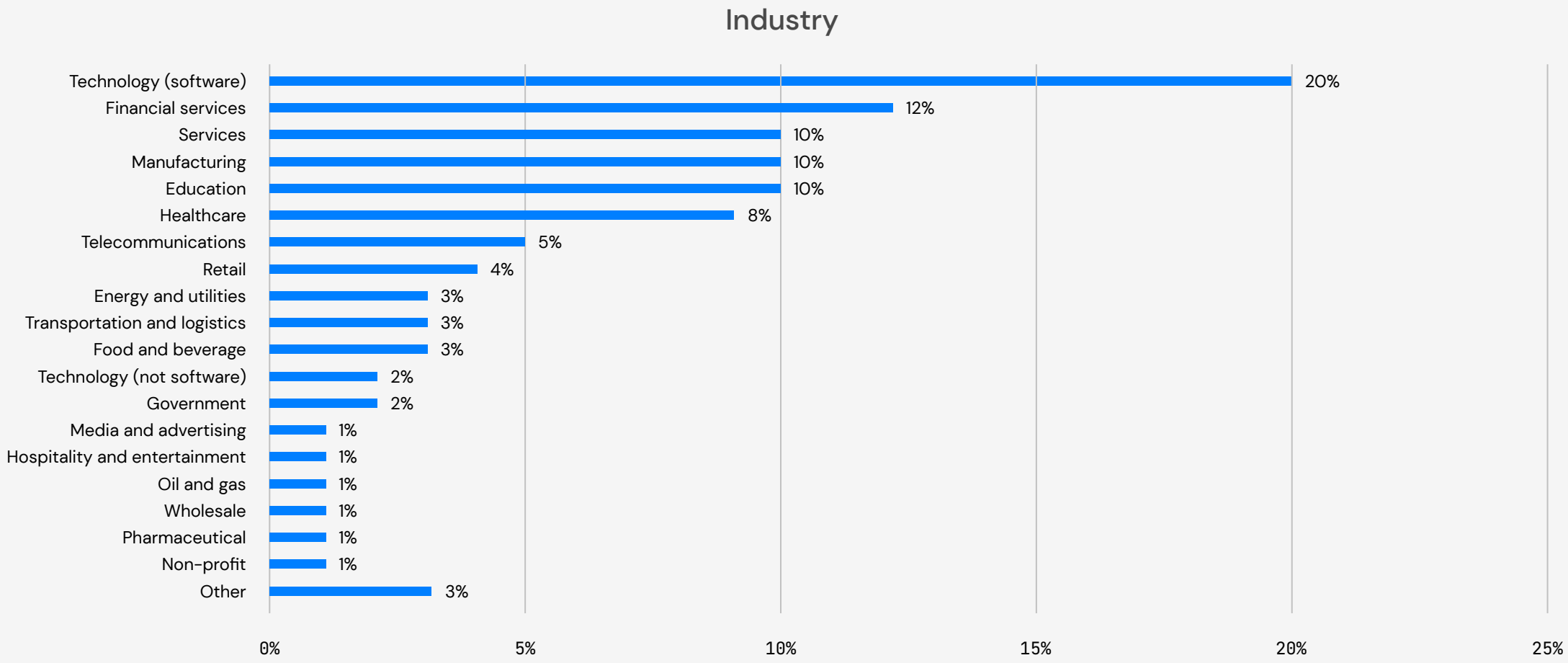

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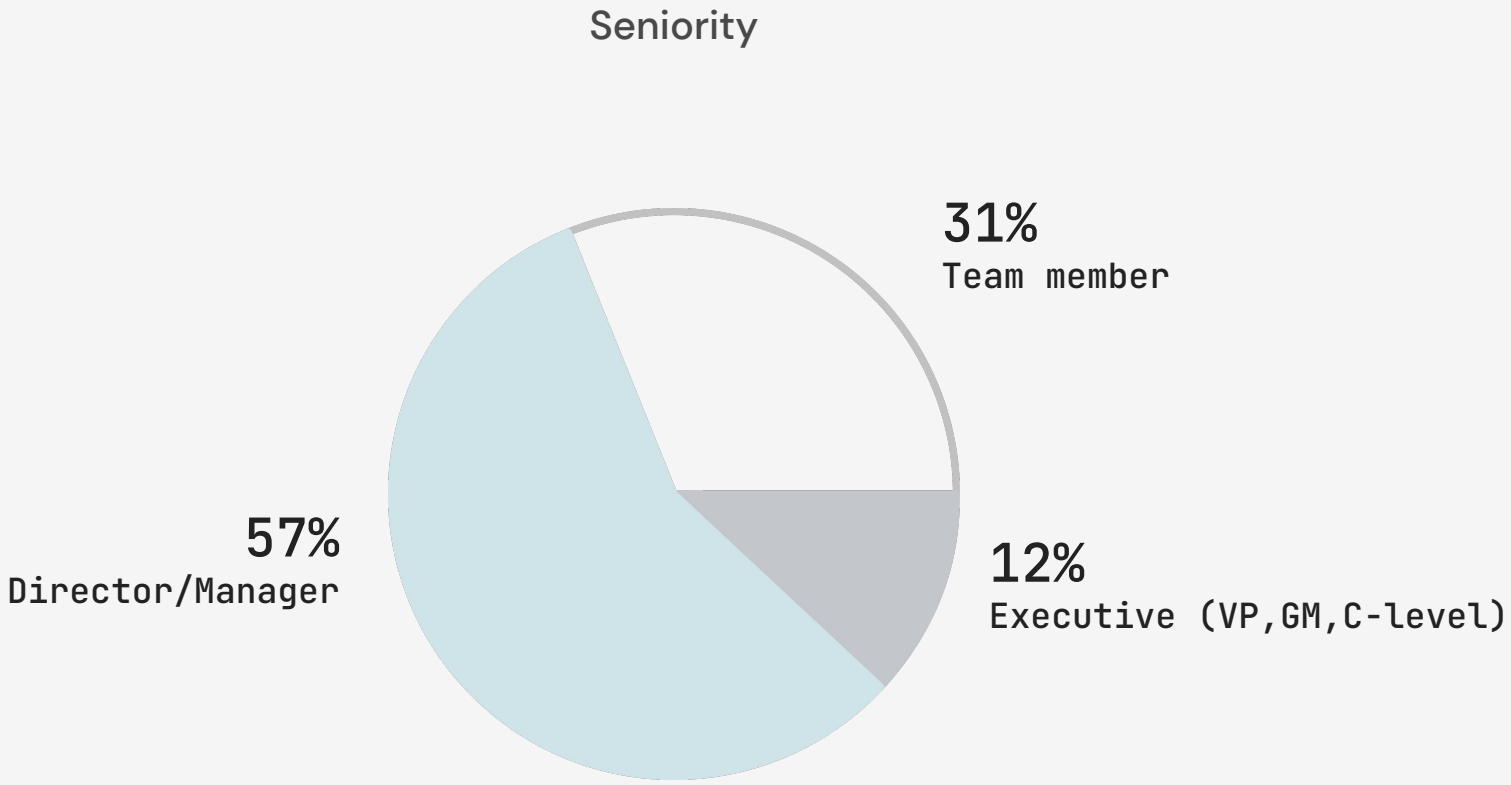

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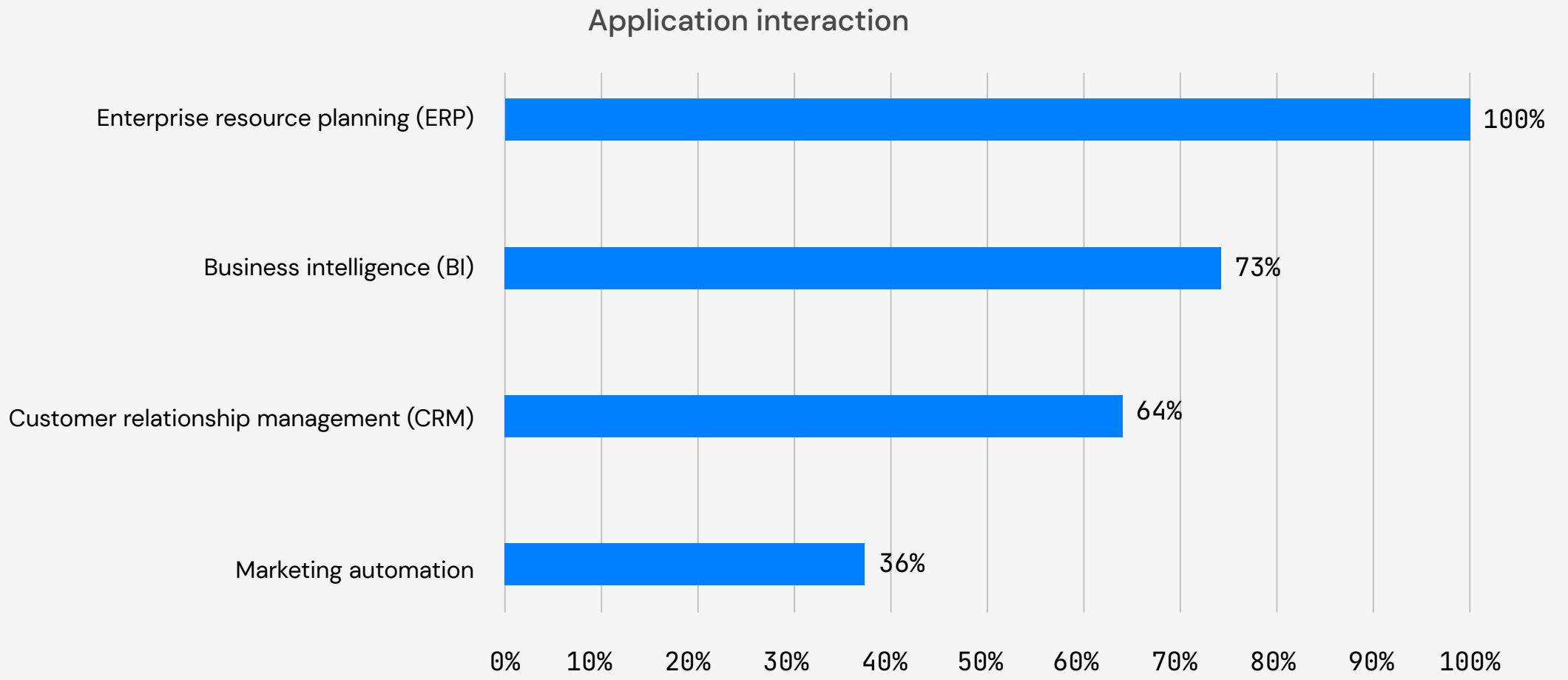

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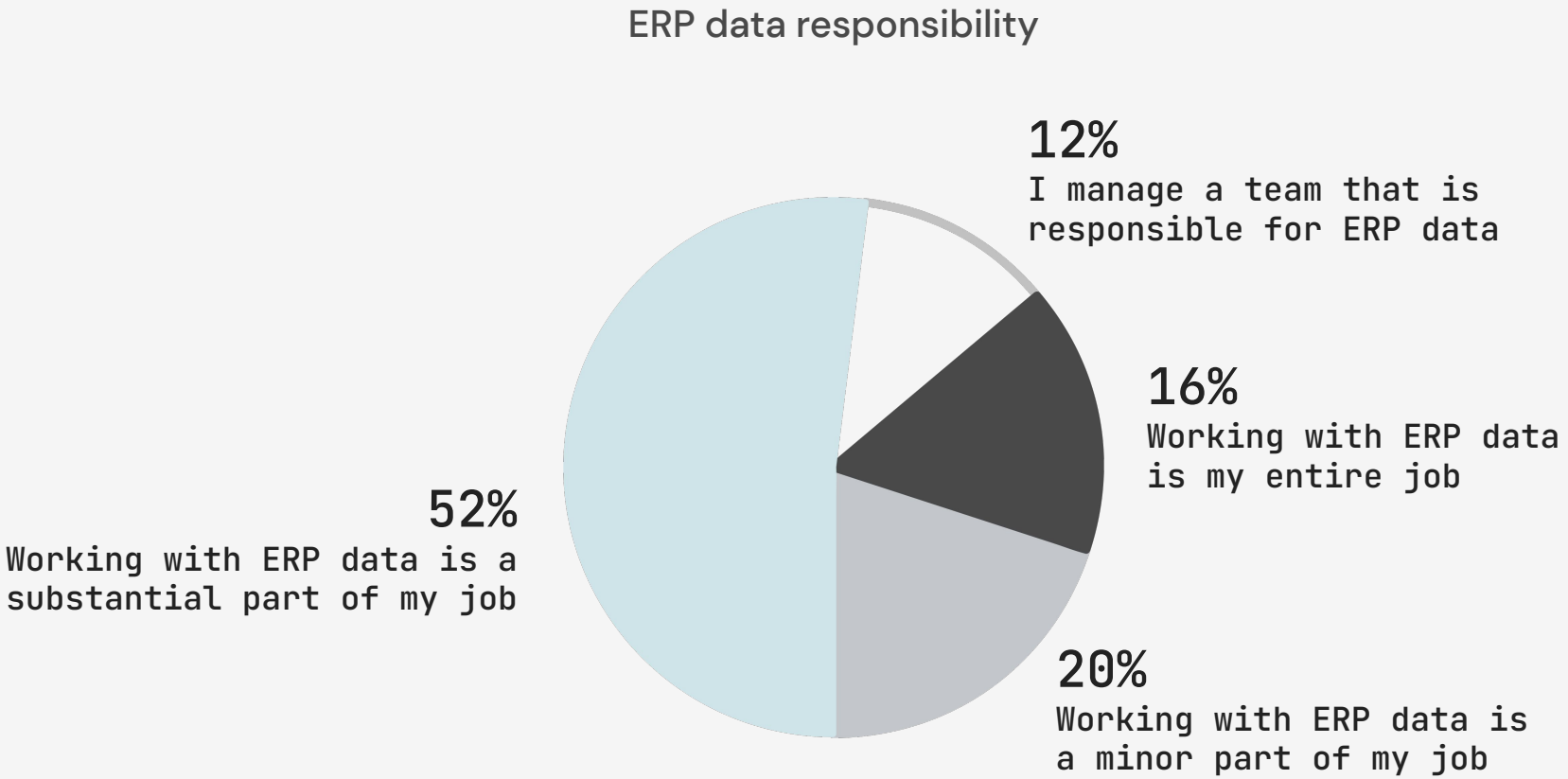
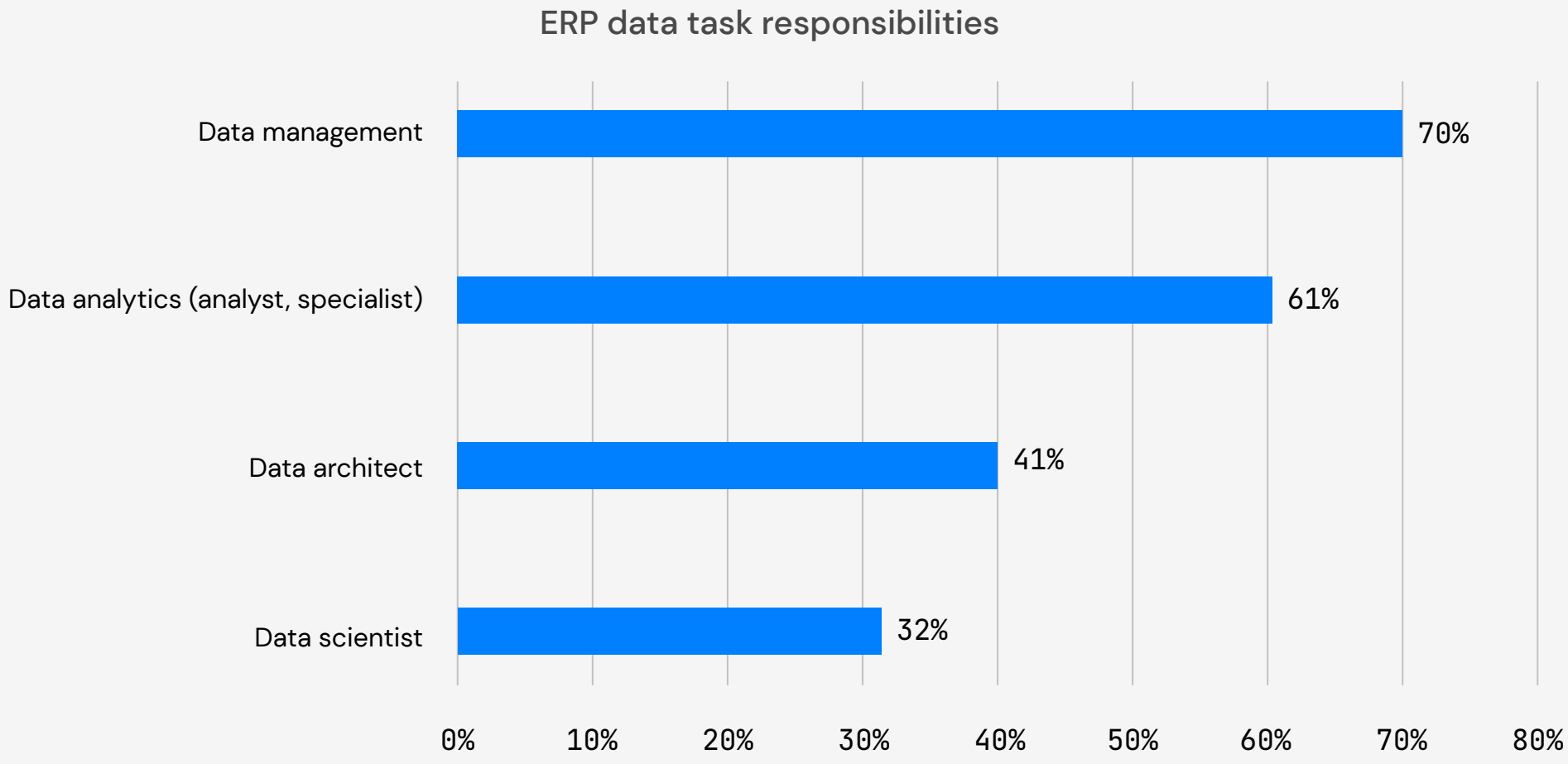
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